

COMET-K1 details

What is COMET-K1?

SCCH: Partner to industry and research

COMET is a national competence center program with the primary goal of advancing cooperation between science and industry. K1 is its program for medium-sized centers with 50 to 100 researchers. Software Competence Center Hagenberg (SCCH) is such a COMET K1 Center focusing on software. COMET K1 competence centers conduct basic research, industrial research and precompetitive development of utmost quality aimed at solving application-oriented problems. Scientific development and industrial application play equal roles as dual benefits for the economy.

OVERVIEW

COMET K1 competence centers are financed via company contributions and national subsidies. Much of the subsidy funding flows directly into co-financing the application-oriented research projects that are conducted on behalf of companies.

Since 1999 Software Competence Center Hagenberg has been conducting highly successful projects as a competence center. Since January 2008 SCCH has been a COMET K1 Center.

BENEFITS FOR COMET-K1 PARTNERS

- Funding for the development and realization of new ideas and visions
- Competitive advantage via innovation based on latest research results
- Long-range cooperation partnership
- Synergy effects via R&D in cooperation with other companies
- Access to unique expert know-how of experienced researchers
- Free access to a network of partners from science and industry

DISTINCTION FROM OTHER FUNDING PROGRAMS

- COMET is a competence center funding program based on long-range cooperation.

- COMET K1 funds projects that are conducted primarily at the competence center.
- SCCH employs only researchers with at least a master's degree, and many have a doctorate.
- Funding can extend to the software prototype (basic research, industrial research, precompetitive development).
- COMET K1 is unbureaucratic.
- Projects need not be submitted individually; thus there is no waiting time.
- SCCH handles reporting.

WHO CAN JOIN COMET AS A PARTNER COMPANY?

- Any domestic or foreign company

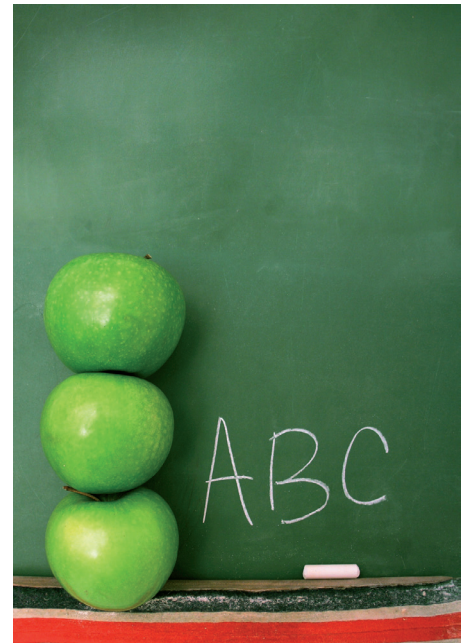
FUNDING AT SCCH

In the realm of COMET K1, only long-range projects are funded at SCCH.

All projects involve multiple Partner Companies. Due to the funding guidelines, single-company projects are possible only in exceptional cases.

Projects must have a duration of at least one year and involve at least two person-years of development effort regarding the overall project; i.e., each Partner Company involved in a project need not meet this requirement individually.

The funding can vary among the partners. Until the end of 2011 the funding rate is 42% (for large companies) and 46% (for SMEs) of the overall project cost of the respective partner.



COMET

Competence Centers for
Excellent Technologies

Das SCCH is an initiative of



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CHANGES AS OF 2012

2012 starts a new subsidy period that extends until 2014. Projects can extend across this boundary, but intermediate accounting will be done due to the transition.

From 2012 the uniform funding rate for all projects is 43%.

To keep the scientific challenges in all projects at the same level, all projects are evaluated under the guidance of the scientific leader at the start and at one-year intervals thereafter.

The result of this evaluation is the classification of subprojects of a company into one of the following categories:

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Category	Nature	Strategic component
1	especially scientifically challenging, high risk	5%
2	...	10%
3	...	15%
4	scientifically less challenging, low risk	20%

The derived strategic component is then used for especially scientifically challenging problems that relate to concrete problems of the company. This means that, jointly with the Partner Company, topics are decided for the strategic component that contribute to scientific development and also promise a more long-range perspective for the economic success of the company. Coordination of these strategic components by SCCH also promotes cooperation among companies in the project.

Example:

To improve the quality of its production data, a company seeks to transfer its decentralized machine data to a central data warehouse and evaluate the data there. In this version the project would be innovative, but would not have the required research nature and would be in category 4.

Extending the project in its strategic component via continuous data integration (where the data warehouse would be continuously updated and old data aggregated), via flexibly adaptable aggregation on data transfer, or via machine learning procedures on evaluation of the data

enables integration of current research topics while taking into account the interests of the company.

ROADMAP TO COMET K1 PARTNERSHIP

1. Rough definition (1-2 pages) of a project. For multi-firm project at least one other company is required for a research project (e.g., joint basis with different variants or multiple companies along the value chain).

2. SCCH decides whether the proposed project fulfills COMET K1 criteria.

3. Contract is signed.

4. Partner Company is integrated in Board, which is the instrument of all SCCH partners.

All Partner Companies are organized in an Association of Partner Companies, which is also one of the owners of Software Competence Center Hagenberg GmbH.

New Partner Companies are required to join this association. A one-time membership fee of 3200 euro must be paid.

CONTRACTUAL BASIS

- The Agreement defines the conditions that apply for all Partner Companies working with SCCH (COMET K1).
- The bilateral Cooperation Agreement between SCCH and the Partner Company specifies the planned contribution

BILLING

Payments on the part of Partner Companies (company contributions) always relate to the contracted research project with the respective company. The company contributions for the individual years of the cooperation are specified in the Cooperation Agreement. These company contributions are not assigned to specific projects, but can be allocated freely between contracted projects or redistributed.

One fourth of the annual contribution is billed in advance. Subsequent bills follow based on actual consumption of services.

Billing is on the basis of fixed hourly rates based on actual time. Each month every SCCH Partner Company receives a bill for each project and an overall bill.

HOURLY RATES

The hourly rates depend on the category of the staff member. The following table shows the most important categories and their current hourly rates.

	Current hourly rate (since 2009)	Anticipated hourly rate as of 2012
Junior Researcher	56,29	54,28
Senior Researcher	67,20	71,29
Expert	81,28	86,23
Area Manager	83,82	90,27

The specified hourly rates include the subsidy; thus the actual cost to the Partner Company is lower.

Hourly rates for 2012 are tentative; anticipate a cost-of-living increase. The final hourly rates will be determined in the Agreement.

Annual company contribution	€ 100.000		Funding rate	42%
Subsidy	€ 72.414			
Maximum project volume	€ 172.414			
Consumption of services				
h Category	€/h	Project volume	Company contribution	Remuneration for in-kind services
600 Junior Researcher	€ 56,29	€ 33.774	€ 19.589	
1200 Senior Researcher	€ 67,20	€ 80.640	€ 46.771	
325 Expert	€ 81,28	€ 26.416	€ 15.321	
Participation				
600 Senior Researcher	€ 52,34	€ 31.404	€ 18.214	€ 40,68 € 24.408
		€ 172.234	€ 99.896	
Effective company contribution = contribution - reimbursement				€ 75.592

FUNDING OF PARTNER COMPANY SERVICES

Active participation by the Partner Company makes sense in all research projects. Therefore the services of the Partner Company can also be remunerated (as in-kind payment). Reimbursement of in-kind services adheres to the fixed rates based on categories and amounts to 15% to 29% of personnel costs. The company must maintain a log of work times based on SCCH requirements. Furthermore, a company is entitled to receive remuneration of not more than half of its contribution.

BILLING EXAMPLE

The following example, using the current hourly rates for personnel and the funding rate of 42% for large companies, illustrates billing for research services by SCCH and for hours of participation by the Partner Company.

As of 1 January 2012 the same example would reflect the following figures based on the tentative hourly rates.

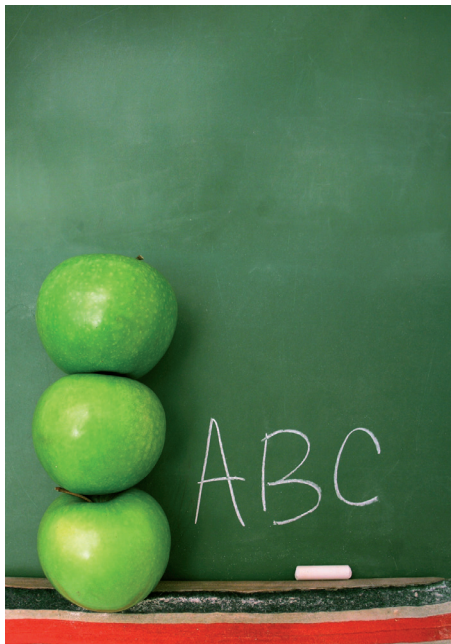
Annual company contribution	€ 108.000		Funding rate	43%
Subsidy	€ 81.474			
Maximum project volume	€ 189.474			
Consumption of services				
h Category	€/h	Project volume	Company contribution	Remuneration for in-kind services
600 Junior Researcher	€ 54,28	€ 32.568	€ 18.564	
1200 Senior Researcher	€ 71,29	€ 85.548	€ 48.762	
325 Expert	€ 86,23	€ 28.025	€ 15.974	
Participation				
600 Senior Researcher	€ 71,29	€ 42.774	€ 24.381	€ 52,63 € 31.578
		€ 188.915	€ 107.681	
Effective company contribution = contribution - reimbursement				€ 76.422

OWNERSHIP OF RESEARCH RESULTS

The Cooperation Agreement defines a field of interest, which in turn describes the content and geographic areas of activity of the Partner



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Company. In this field of interest, the Partner Company receives all rights of exploitation of the results.

If there is an overlap of the areas of interest of Partner Companies involved in multi-firm projects, then these Partner Companies are awarded equivalent rights of exploitation in the area of overlap. Special agreements between the Partner Companies are possible.

In addition, each Partner Company is awarded exploitation rights for the results of strategic projects (SCCH's own research projects).

OWNERSHIP OF SCCH

Software Competence Center Hagenberg is owned with equal shares by:

- Johannes Kepler University of Linz
- Upper Austrian Research GmbH
- Association of Partner Companies of SCCH

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